

CALIFORNIA LEGISLATIVE BLACK CAUCUS

January 7, 2013

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Mr. Robert L. Stein, Chair

Californian Science Center/Exposition Park Board of Directors

700 Exposition Park Drive

Los Angeles, CA 90037

Re: Proposals Regarding the Los Angeles Memorial Coliseum and Sports Arena

Dear Mr. Stein and Members of the Board:

Recommendation

In response to the December 17th lease proposal submitted by Secretary Caballero, we urge you in your role as governing board of Exposition Park and the California Science Center and as representatives of the community to reject the lease documents as presented. The proposed leases, non-disturbance agreements and lease options contain numerous provisions that run counter to the Exposition Park California Science Center Master Plan adopted by the California Science Center/Exposition Park Board of Directors in cooperation with the greater community in 1993. This lease makes assumptions and contains conditions that are likely to be found illegal. While we welcome USC as the operator of the Los Angeles Memorial Coliseum, many of the terms set forth in this lease are unreasonable and clearly overstep what is required to operate the Coliseum. The documents have been made public and the Board asked to rush consideration with little time for adequate public review. No compelling case for why the proposed agreements are in the public's and the community's best interest is presented. The only argument presented is that the Schwarzenegger Administration entered into agreements--without Legislative approval-- that may obligate the state to the appropriation of significant funds.

Accordingly, the California Legislative Black Caucus urges you to reject the agreements as proposed. We believe that the proposed agreement for the Coliseum could be approved soon with modifications necessary to protect the interests of the other institutions in the park and the local community. The Sports Arena proposal and the lease option require more study. The parking lot lease is simply unacceptable and violates existing statutory requirements.

Background

The California Science Center/Exposition Park (6th District Agricultural Association) is one of 54 agricultural fair districts in the state of California. Agricultural Districts were established in the 19th Century as a way to provide land for fairs and agricultural expositions. Each of these districts is governed by a board that must live in the district, which ensures that the governance reflects local community concerns. While each district is unique, Exposition Park is so unique that the California Science Center (6th District) was created statutorily as its own state department. Exposition Park has a unique combination of world renowned educational and cultural facilities (California Science Center, Natural History Museum and California African American Museum), serves as a major urban park and recreational resource in one of the most park deprived neighborhoods in the nation and houses major regional sports facilities. Exposition Park is a treasure to this community. While the Los Angeles Memorial Coliseum might be the most famous venue in the park, that doesn't necessarily make it the most important. We often say Exposition Park is a park with a stadium, not a stadium with a park.

Members of our Caucus have been coming to Exposition Park for over 50 years. Our members have personally been involved in shaping every State budget for this park since 1977. When we come to this park we look at the faces of the kids. Whether to the playgrounds in the Jesse Brewer Park or the Rose Garden, looking at the smiles on those kids faces reminds us why we have fought to preserve the park and its institutions.

Even with all the challenges, we could not have been more proud of the Science Center than when the Space Shuttle Endeavour was moved here. Who can forget a little girl standing on Martin Luther King Blvd. saying, "I can be an astronaut some day?" One and a half million people lined the streets to see this modern science marvel moved from LAX to the Science Center, millions more looked skyward and were inspired when they saw Endeavour fly over California as it arrived at LAX and now they are coming by the hundreds of thousands from around the region, state and world to Exposition Park to see it and are inspired to learn more.

Members of the California Legislative Black Caucus have been the most steadfast supporters of the California Science Center, California African American Museum and Exposition Park for decades.

Our members played a catalytic role in the development of the Exposition Park California Science Center Master Plan. Then Assembly members Maxine Waters and Teresa Hughes provided the initial impetus for development of the Master Plan and worked closely with the Board of Directors appointed by Governor George Deukmejian to develop a plan that reflected the need to balance the wishes of the sports facilities with those of the museums and local community. The planning effort was precipitated by the perceived encroachment by the Coliseum Commission and USC in an effort to

develop additional parking for the stadium and USC – including developing parking on the Rose Garden site.

It followed a related attempt to give management and control of the parking lots to the Coliseum Commission. Our members led an effort to reverse the Coliseum's control of the parking and authored legislation to create the Exposition Park Improvement Fund and require that the Science Center operate and manage its parking. It further required that the parking be operated in a manner that recognizes the cultural and educational nature of the park and protects the interests of the Science Center and California African American Museum. The resulting statutes are still in effect and would be violated by the proposed parking lot lease – which appears to be yet another attempt to turn control of parking to those operating the Coliseum.

During the planning process, the community made it clear they wanted and needed more green space. The surrounding community is among the most park-deprived areas in the nation. The Master Plan provides for maintaining the same number of parking spaces and doubling green space by consolidating parking in the new California Science Center/California African American Museum Parking Structure (developed and funded with the leadership of members of our caucus) and by using parking lots as play fields and recreational space when not needed for parking. The Master Plan also provided for redevelopment of the Swim Stadium to create the world class Expo Center as a community resource in the park.

The 1993 master plan represents one of our state's best success stories. It won national awards when adopted and incredible progress has been made. Since its adoption, public and private funds in excess of \$500 million have been invested in its implementation. The California Science Center has become one of the most respected institutions of its kind in the world, The Natural History Museum has been revitalized, the California African American Museum's stature has continued to grow, the Expo Center has become one of the most successful community centers in the nation, and the Science Center School is completed and has been educating over 600 traditionally underserved students each year for nearly 10 years. Community parks, promenades and green space have been added. The only failure has been the Coliseum Commission.

Whether true or not, it is the feeling of many community residents that the current proposal reflects an attempt by USC to take advantage of the Commission's failure and to use that failure to expand its campus at the expense of the local community

A more extensive history of the Park, Coliseum Commission and our members' long history of support and leadership is attached.

Proposed Agreements

It is the California Science Center Exposition Park Board's responsibility to preserve Exposition Park and the state's museums for the greater community. As you consider the proposal before you, take into account this obligation and remember: it's not just about money. The South Los Angeles community is not for sale. This park is not for sale at any price. You are the community's only voice into the governance of the park. You have a responsibility to the museums, educational facilities and the communities of South LA and Greater Los Angeles that is more important and will be remembered for generations. Your role is not to be boosters for the USC football program or, for that matter, the university itself. This proposal is an affront to your responsibility to this community. Giving up control of the parking lots virtually gives away control of the park, which is totally unacceptable.

The proposed agreements were released publicly on December 17, shortly before the holidays with a request that hearings be held within days and that the Board acts rapidly to approve them. We appreciate that you did not agree to schedule a hearing two days after the release of the proposal and at the peak of the holiday season. The principal policy argument presented for support of the agreements is that the State is somehow at risk to fund improvements to the Coliseum. In her December 17, 2012, letter Secretary Caballero states "If the new USC/Commission sublease does not become effective and the Commission breaches its existing sublease with USC, the State will be required to "step into the Commission's shoes" and take over the Commission's responsibilities, including the responsibility to fund \$70 million of Coliseum improvements."

We have asked our Legislative Counsel to review this provision in the Non-Disturbance Agreement with USC. We don't believe the Schwarzenegger Administration - through the 6th Agricultural District or a single agency secretary had the authority to obligate the State to a \$70 million debt without legislative approval. We do not believe that after all the education, health and social service cuts we have been forced to make over the last few years that the legislature is going to lay off more teachers and cut more services to fund a football stadium for a private school! Our cursory view is that this provision is unenforceable and we would direct the Attorney General to defend the State in court. The reason for the JPA in the first place was to protect the State from the debts of the stadium. Do you really believe over 100 years of practice and law can be changed and the appropriation of tens of millions of dollars be obligated by an agency without legislative approval? The State didn't fund the construction of the facility at the outset because we're not in the stadium business then or now.

Nevertheless, we support the proposed lease of the Coliseum to USC. We believe that with the addition of provisions to protect the museums, other park institutions and local community, the agreement for the Coliseum should be approved. Scheduling conflicts must be adequately addressed; financial terms carefully reviewed and understood by the public, and control over advertising and signage must be maintained by the Board, not passed to bureaucrats in Sacramento.

We have not yet seen any public presentation of the rationale or justification for extending the current lease to 99 years with the proposed Lease Option. We remain open to consideration of this proposal, but believe that there must be a compelling public policy rationale for turning over valuable state assets to a private university for 99 years.

Little information has been shared about the proposed plans for the Sports Arena. As such, we cannot support the Sports Arena proposal at this time. In no event do we believe that the Board should abdicate its authority to review plans for future use of the Sports Arena site. As drafted, it appears that the Board would give up all oversight of future plans if a soccer stadium is to be built. Might that soccer stadium also include a shopping mall, student housing, USC offices?

As discussed above, the proposed lease of the parking lots is unacceptable and is in clear violation of existing statute. Section 4106 was added to the Food and Agricultural Code in response to a prior effort to pass control of parking to the operator of the Coliseum and was clearly intended to prevent this without legislative authorization. The proposed lease would require legislation to repeal or modify existing statute. If there is a need for statutory flexibility with respect to operating the parking on event days, then we should utilize legislation to accomplish this goal. Although we don't think it necessary, we stand ready to assist with an urgency bill if needed.

Conclusion

The California Legislative Black Caucus is very concerned about the proposed agreements. We request that the Board take the time to review the proposals, provide ample time for public review and comment and reject any effort to rush through a giveaway of valuable state and community resources to a private university.

What is clear about the negotiation process for the proposed agreements is that there was no one in the room except USC with any knowledge about the history of the park, the Master Plan or the turf wars between the Coliseum and others in the park that have brewed for so many years. Moving forward, this Board must fully engage the park's many constituents - including the institutions in the park and the local community - in the consideration of each of the proposed agreements.

We are all fans of USC football. We believe the USC Trojans belong in the Los Angeles Memorial Coliseum. We would like to see something productive done with the Sports Arena. However, the State of California is not in the football stadium business and we should not enter it now. Given its current financial position, the Commission is a non-entity. These agreements should be between the State of California and USC. There is no reason WE can see for a three party deal.

If it truly desires to be helpful, the Commission should stand down, as it would no longer be a real party of interest. If USC wants to assume the employees and or debts of the Commission that proposition should be a separate transaction between USC and the Commission, it should not be a condition of the lease between the State of California and USC.

The parking lots (in no uncertain terms) should not be leased to USC under any conditions. On the up to 25 days they schedule their major events, USC must be assured that parking will be available. We are prepared to assist if legislation is necessary to accommodate their event parking needs.

We listened to the some of the reasons given for the need to tie the parking into the stadium. They are specious, at best. Previous attempts and the language in this proposal clearly indicate the intention to expand USC's footprint at the expense of the park and community. If the university wants to lease parking for students and faculty that can be arranged, but it should not be commingled with the stadium lease. Building on the parking lots is totally unacceptable under any circumstance. The Master Plan commitment to creating green space from existing parking lots must be maintained. The state would not even consider giving away promised parkland in more affluent areas of the state. Why should it be done in South LA?

The Science Center Board has an obligation to get a good deal for the State and the community. You have an obligation to uphold the Exposition Park California Science Center Master Plan and its promise of more green space. We believe this can be accomplished with USC playing football in the Coliseum and operating the facility as its own.

We support USC operating the Coliseum. However we do not believe that the proposed agreements protect the state and local community's interests in Exposition Park. Rather than seeking mutually beneficial arrangements, this proposal again puts the interests of the sports facilities and University ahead of the community and the educational, cultural and recreational resources in Exposition Park.

The Caucus will be more than happy to assist in the review and discussion of the proposed agreements. We would be pleased to hold legislative hearing to engage the community. We are also available to assist in the crafting of revised agreements that will benefit all the parties involved. We know we can get this done.

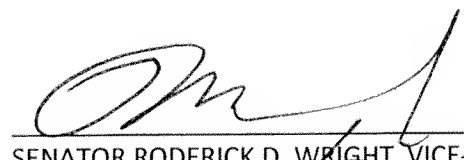
Mr. Robert L. Stein, Chair

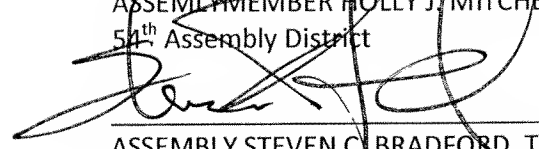
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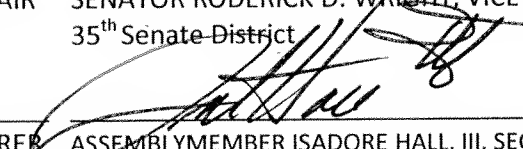
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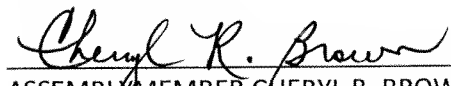
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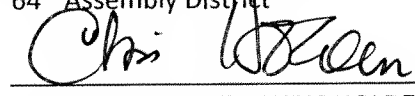

ASSEMBLYMEMBER HOLLY J. MITCHELL, CHAIR
54th Assembly District

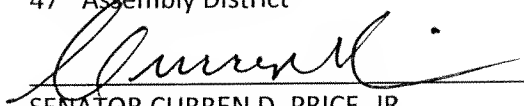

SENATOR RODERICK D. WRIGHT, VICE-CHAIR
35th Senate District

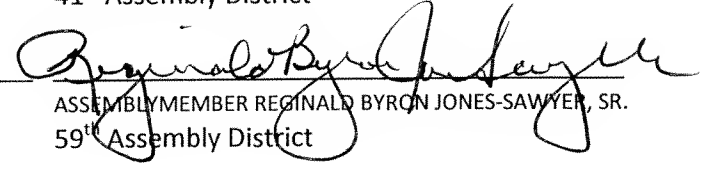

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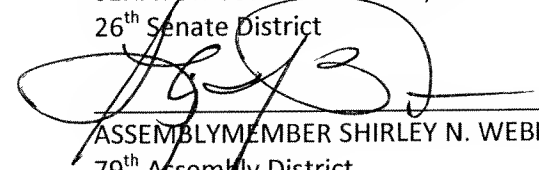

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26th Senate District


ASSEMBLYMEMBER REGINALD BYRON JONES-SAWYER, SR.
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79th Assembly District

cc. Governor Edmund G. Brown, Jr.
Secretary Anna Caballero
Secretary John Laird
Jeffrey Rudolph
Charmaine Jefferson